

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 985 - HB 1014**

March 28, 2021

**SUMMARY OF BILL:** Prohibits any tobacco retailers from advertising or selling cigarettes for less than an amount set by the Department of Revenue (DOR).

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- Pursuant to Tenn. Code Ann. § 47-25-308 an initial violation of the part that this proposed legislation is changing is \$250, \$500 for the second violation, and \$1,000 for third and subsequent violations.
- According to DOR, the department has issued less than 10 violations per year over the last five years for any violations under Title 47, Chapter 25, Part 3 (Unfair Cigarette Sales); therefore, any increase in state revenue from citations is estimated to be not significant.
- Furthermore, it is estimated that this change to any tobacco retailers' prices would be not cause a substantial shift in demand; therefore, any impact to tobacco or sales and use tax collections is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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